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**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515-5200**

## COMMITTEE ON NATURAL RESOURCES

SUBCOMMITTEE ON

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## COMMITTEE ON VETERANS' AFFAIRS

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OVERSIGHT AND INVESTIGATIONS

October 14, 2020

The Honorable Chuck Grassley  
 Chairman  
 Committee on Finance  
 219 Dirksen Senate Office Building  
 Washington, DC 20510

The Honorable Ron Wyden  
 Ranking Member  
 Committee on Finance  
 219 Dirksen Senate Office Building  
 Washington, DC 20510

Dear Chairman Grassley and Ranking Member Wyden,

I write again as in past years to ask for bipartisan support to extend the American Samoa Economic Development Credit (ASEDC)/Section 30A before its expiration this year.

American Samoa has been a proud and faithful territory of the United States. The island often yields the highest rate per-capita of military enlistment of any state or territory. In addition to its cultural and commercial contributions, American Samoa has been invaluable to the U.S. mainland as a strategic outpost in the Asia-Pacific region.

American Samoa depends on its tuna canning industry, the territory's largest private employer and economic driver. With roughly 2,300 workers, the tuna cannery in Pago Pago is the largest private sector employer in American Samoa.

Beginning with the passage of the Tax Relief and Health Care Act of 2006, American Samoa has benefitted from a possession tax credit under now-section 30A of the Internal Revenue Code. This provision—designed to encourage investment in the U.S. insular areas and create jobs by reducing federal taxes on income earned by qualifying corporations—helps offset some of the competitive disadvantages faced by the tuna canning industry. This provision has ensured that the cannery companies do not relocate to foreign countries and take with them thousands of jobs and millions of dollars in economic activity.

I recently testified and made a similar request in June before the Senate Energy and Natural Resources Committee which as you know has primary jurisdiction over the U.S. Territories like American Samoa. In that testimony, I noted our sole remaining tuna cannery – two others have left for cheap foreign labor - is nearly 20% of the workforce and it relies heavily on the Section 30A tax credit. Local economic diversification cannot occur without an extension of the tax credit. This will provide time to recover from the economic downturn and plan.

The House Ways and Means Committee voted out a five-year extension during the last tax bill two years and Senator Murkowski offered an amendment for a five-year extension but was not taken up. In the remaining days of the 116th Congress, I welcome working with you to bring relief to American Samoa through a Section 30A tax extension.

American Samoa is hopeful the Finance Committee will support a multi-year extension which will help diversify our economy and give businesses the confidence to invest in American Samoa without having to worry about the annual expiration. Your committee solved this problem for Puerto Rico and the U.S. Virgin Islands in the tax reform bill two years ago providing them with a five-year extension for the rum tax cover over, a provision which scores substantially higher than the ASEDC.

Thank you for your attention to this matter and for your commitment to maintaining economic stability through well-reasoned tax policy. Please do not hesitate to reach out to me regarding American Samoa and the impacts of Section 30A on our economy.

Sincerely,



Aumua Amata Coleman Radewagen  
Member of Congress

cc: Sen. Lisa Murkowski, Chairman,  
Sen. Joe Manchin, Ranking Member,  
Senate Committee on Energy And Natural Resources